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# Philip Morris expects 20% gain for 1992

By Nikki Tait

PHILIP Morris, the US tobacco and food company, yesterday told analysts that it expected to report a 20 per cent increase in earnings per share for 1992, when its unveils year-end results.

Mr Hans Storr, the chief financial officer, said the earnings figure would stand at about $5.45 a share. He added that recent retail sales trends for Marlboro had been encouraging, and noted the recent narrowing of price differences between discount and premium brands.

When Philip Morris reported third-quarter figures, it disclosed the domestic cigarette shipments had fallen slightly in the three-month period, and predicted a larger dip in the final quarter.

This reinforced worries on Wall Street that the growing discount cigarette sector was proving a threat to premium brands, which include Morris's profitable Marlboro.

This week's furore over a report from the US Environmental Protection Agency on the dangers of passive smoking, has hit Philip Morris shares, but yesterday's profit forecast seemed to reassure the stock market. The tobacco company's stock added $1¼ to $73¼, in early trading.

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